

## FIRST AMENDMENT FOR PARKING MANAGEMENT SERVICES

### Public Works

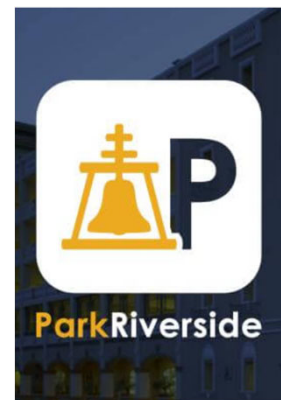
**City Council**  
March 12, 2024

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## BACKGROUND

- March 4, 2021 - RFP No. 2083 Parking Management Services was published to manage and maintain the downtown parking operation.
- December 7, 2021 – City Council awarded RFP No. 2083 to Parking Concepts Inc.



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## DISCUSSION

- January 1, 2022 – Parking Concept Inc. started managing the downtown parking operation
  - Unbudgeted funds spent to address sub-standard SOPs
- April 18, 2023 – City Council approved the Parking Your Way rates and hours of operation
  - Unbudgeted funds spent preparing for Parking Your Way



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## DISCUSSION

- From July 1, 2023 through December 31, 2023 additional operating expenses were incurred due to:
  - 24/7 operations (staffing, uniforms, consumables, etc.)
  - Weekly and Monthly garage power washing
  - Higher volume of credit card transaction fees
  - Increase in tech-user fees (Park Riverside app, Park Mobile app, IPS pay stations, TEZ billing software)
  - FOL increased operating expenses due to staffing levels



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## DISCUSSION

### Operating Expenses and Compensation Balance for PCI Contract

Fiscal Years	Contract Budget	Actual	Estimated	Compensation Balance
FY2021-22	\$1,236,714	\$760,779 <sup>a</sup>	n/a	\$3,462,288
FY2022-23	\$1,278,818	\$1,724,394 <sup>b</sup>	n/a	\$1,737,894
FY2023-24	\$1,323,620	\$1,232,781 <sup>c</sup>	\$325,000 <sup>d</sup>	\$180,113
10% Contingency	\$383,915	n/a	n/a	n/a
<b>Total</b>	<b>\$4,223,067</b>	<b>\$3,717,954</b>	<b>\$325,000</b>	<b>\$180,113</b>

<sup>a</sup>Actual Expenses: January 1, 2022, through June 30, 2022.  
<sup>b</sup>Actual Expenses: July 1, 2022, through June 30, 2023.  
<sup>c</sup>Actual Expenses: July 1, 2023, through November 30, 2023.  
<sup>d</sup>Estimated Expense: December 1, 2023, through December 31, 2023.



## DISCUSSION

### Gross Revenue, Operating Expense and Net Operating Income with PCI

Fiscal Years and Operating Months	Gross Revenue	Operating Expense	Net Operating Income
FY2021-22 – Jan through June	\$1,188,236	\$760,779	\$427,457 <sup>a</sup>
FY2022-23 – July through June	\$3,172,800	\$1,724,394	\$1,448,406 <sup>b</sup>
FY2023-24 – July through June	\$5,408,773	\$2,777,702	\$2,631,071 <sup>c</sup>
FY2024-25 – July through June	\$5,795,434	\$2,577,797	\$3,217,637 <sup>d</sup>
FY2025-26 – July through June	\$6,124,644	\$2,678,984	\$3,445,660 <sup>e</sup>
FY2026-27 – July through Dec	\$3,326,744	\$1,372,163	\$1,954,581 <sup>f</sup>

<sup>a</sup>Actual NOI: January 1, 2022, through June 30, 2022.  
<sup>b</sup>Actual NOI: July 1, 2022, through June 30, 2023.  
<sup>c</sup>NOI based on actual and projected revenues and expenses: July 1, 2023, through June 30, 2024.  
<sup>d</sup>NOI based on projected revenues and expenses: July 1, 2024, through June 30, 2025.  
<sup>e</sup>NOI based on projected revenues and expenses: July 1, 2025, through June 30, 2026.  
<sup>f</sup>NOI based on projected revenues and expenses: July 1, 2026, through December 31, 2026.



# STRATEGIC PLAN ALIGNMENT

## Strategic Priority 6 – Infrastructure, Mobility, and Connectivity

**Goal 6.2 – Maintain, protect, and improve assets and infrastructure within the City’s built environment to ensure and enhance reliability, resiliency, sustainability, and facilitate connectivity.**

### Cross-Cutting Threads

-  Community Trust
-  Fiscal Responsibility
-  Sustainability & Resiliency
-  Equity
-  Innovation



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# FISCAL IMPACT

## Total Contract Cost by Fiscal Year for Parking Management Services with PCI

Fiscal Year and Operating Months	Task	Account Number	Amount
2023/24 – Jan to June	Parking Mgmt Svcs – Projected	4150000-421002	\$1,218,208
2024/25 – July to June	Parking Mgmt Svcs – Projected	4150000-421002	\$2,577,797
2025/26 – July to June	Parking Mgmt Svcs – Projected	4150000-421002	\$2,678,984
2026/27 – July to Dec	Parking Mgmt Svcs – Projected	4150000-421002	\$1,372,163
10% Contingency	Unforeseen Operating Expenses	4150000-421002	\$1,189,011
<b>Total Amount</b>			<b>\$9,036,163</b>



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## RECOMMENDATIONS

That the City Council:

1. Approve the First Amendment to Agreement for parking management services of the downtown parking facilities with Parking Concepts, Inc., for a three-year period, in the amount of \$7,847,152 for a total contract amount of \$11,890,106; and
2. Authorize change order authority up to 10% or \$1,189,011 for a total amount of \$13,079,116 for additional maintenance and services due to unforeseen conditions; and



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## RECOMMENDATIONS

3. With at least five affirmative votes, authorize the Chief Financial Officer or designee, to record a supplemental appropriation in the amount of \$1,218,208 from the Public Parking (570) Fund Balance to the Parking Management Services expenditure account; and
4. Authorize the City Manager, or designee, to execute the agreement with Parking Concepts, Inc., including making minor and non-substantive changes.



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